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TO RUEHC/SECSTATE WASHDC 0194
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INFO RUEHJS/ASSOCIATION OF SOUTHEAST ASIAN NATIONS
RUEHWL/AMEMBASSY WELLINGTON 0099
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RUEHJS/AMCONSUL SURABAYA 0199

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SUBJECT: NORTH MALUKU: ELECTION DECISION FINALLY IN SIGHT; POPULATION
MORE CONCERNED WITH RISING KEROSENE PRICES

REF: A. Surabaya 20 and previous (North Maluku Governor's Race)
[1](#)B. Surabaya 43 (Gas Conversion Program)

This message is sensitive but unclassified. Please protect accordingly.

[1](#)1. (SBU) After months of bureaucratic debate between provincial election officials and the central government and contradictory court decisions, it appears that North Maluku will soon swear in a new governor. At the formal request of the Ministry of Home Affairs, the North Maluku parliament held a plenary meeting April 16 to determine the next governor. With 20 of 35 members in attendance, the plenary announced that Abdul Gafur and Abdurahim Fabanyo -- supported by Golkar, United Democratic Nationhood Party (PDK), and National Mandate Party (PAN) -- were the legitimate winners of the contested November 2007 elections. Hundreds of supporters of incumbent Thaib Armaiyan and Gani Kasuba protested the decision in front of the governor's office. Seven protestors were slightly injured as police dispersed the protestors. In general, North Maluku has remained relatively calm during the lengthy election process (ref a), with small, usually non-violent demonstrations by supporters of both sides.

[1](#)2. (SBU) According to local contacts, the Minister of Home Affairs and National Police Chief made a brief visit to Ternate on April 18 to meet with the interim Governor Timbul Pukianto, head of the North Maluku Attorney's Office, Provincial Police Chief, Maluku Military Commander, Ternate Military Commander, and local religious and youth leaders. Alwy Sagarf, Director of local station Radio Diahi, told ConGen Surabaya the two-hour visit at the airport VIP lounge demonstrated that the central government was not serious about resolving local problems. "They are wasting state money."

Kerosene Prices Double

[1](#)3. (SBU) Alwy Sagarf commented to ConGen Surabaya that the majority were fed up with the election dispute and more focused on how to pay for food, kerosene, and LPG. North Maluku is one of Indonesia's poorest provinces, ranking 27 out of 33 on the Human Development Index. In the past month, the price of kerosene (a staple for most families) has doubled from Rp 2,500/litre (USD 0.27) to Rp. 5,000/litre (USD 0.55) and lines are growing as supplies diminish. Alwy Sagarf explained that shortages were caused by national oil company Pertamina's shipping delays from Balikpapan, Kalimantan, and Makassar, South Sulawesi to Ternate. LPG is also in short supply and costs are rising. The price of a 12-kg canister of LPG has reached Rp 138,000 (USD 15) and is expected to climb further. By contrast,

East Javanese residents pay Rp. 54,000 (USD 5.94) for 12 kgs.
(ref b). The government's gas conversion program is not yet
implemented in North Maluku.

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